

\$27,500,000\_\_\_\_\_

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT  
COLLEGE REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2008A  
(BELLARMINE UNIVERSITY PROJECT)

BOND PURCHASE AGREEMENT

Dated May \_\_, 2008

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NatCity Investments, Inc.

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(BELLARMINE UNIVERSITY PROJECT)

BOND PURCHASE AGREEMENT

May \_\_, 2008

Louisville/Jefferson County Metro Government  
527 West Jefferson Street  
Louisville, Kentucky 40202

Bellarmino University  
2001 Newburg Road  
Louisville, Kentucky 40205

Ladies and Gentlemen:

NatCity Investments, Inc. (the “*Underwriter*”), acting not as fiduciary or agent for you but on behalf of itself, offers to enter into this Agreement (the “*Agreement*”) with the Louisville/Jefferson County Metro Government (the “*Issuer*”), which upon the Issuer’s acceptance of this offer and the execution hereof by Bellarmine University (the “*University*”) shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer, the University and the Underwriter. This offer is made subject to acceptance by the Issuer and the University, which acceptance shall be evidenced by execution of this Agreement no later than 11:59 p.m., prevailing local time, on the date hereof. Capitalized terms used herein and not otherwise defined herein shall have the same meanings as set forth in the hereinafter-described Indenture.

The words “Transaction Documents” when used herein shall mean, individually and collectively, the following: the Bonds; the Indenture; the Loan Agreement; the Escrow Agreement; this Agreement; the Continuing Disclosure Agreement dated as of May 1, 2008 (the “*Continuing Disclosure Agreement*”) of the University; the Tax Compliance Agreement; the Preliminary Official Statement (as hereinafter defined); the Official Statement (as hereinafter defined); and any and all other documents or instruments which evidence or are a part of the transactions referred to herein or in the Official Statement or contemplated hereby or by the Official Statement, provided, however, that when the words “Transaction Documents” are used in the context of the authorization, execution, delivery, approval or performance of Transaction Documents by a party hereto, the same shall mean only those Transaction Documents that provide for or contemplate authorization, execution, delivery, approval or performance by such party.

Section 1. Purchase of the Bonds. Upon the terms and conditions and on the basis of the representations and warranties hereinafter set forth, the Underwriter hereby agrees to purchase from the Issuer for offering, and the Issuer hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the Issuer’s \$ \_\_\_\_\_ aggregate principal amount of its College Refunding and Improvement Revenue Bonds, Series 2008A (Bellarmine University Project) (the “*Bonds*”), at the purchase price of \$ \_\_\_\_\_ (representing the face amount of the Bonds, plus a reoffering premium of \$ \_\_\_\_\_, less an original issue discount of \$ \_\_\_\_\_ and the underwriter’s discount of \$ \_\_\_\_\_).

Section 2. The Bonds. The Bonds will be issued pursuant to an Ordinance adopted by the Issuer on \_\_\_\_\_, 2008 (the “**Ordinance**”) and will be secured by the Trust Indenture, dated as of May 1, 2008 (the “**Indenture**”), by and between the Issuer and U.S. Bank National Association, as Trustee (the “**Trustee**”). The Bonds are being issued simultaneously with and on a parity with the Issuer’s Taxable College Refunding and Improvement Revenue Bonds, Series 2008B (Bellarmino University Project) in the aggregate principal amount of \$\_\_\_\_\_ (the “**Series 2008B Bonds**” and, collectively with the Bonds, the “**Series 2008 Bonds**”). The proceeds of the Bonds will be loaned to the University pursuant to a Loan Agreement dated as of May 1, 2008 (the “**Loan Agreement**”) by and between the Issuer and the University. The Bonds are to be payable from payments to be made by the University pursuant to the Loan Agreement. Under the Loan Agreement, the Issuer will loan the proceeds of the Bonds to the University and the University will make loan payments to the Issuer in amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds, when due.

The net proceeds of the Series 2008 Bonds, together with other available funds, will be used to: (i) refund the Issuer’s College Refunding and Improvement Revenue Bonds (Bellarmino University Project), Series 2006 issued in the original principal amount of \$22,509,196 and of which \$22,509,196 is presently outstanding (the “**Series 2006 Bonds**”) (the refunding of the Prior Bonds being hereinafter referred to as the “**Refunding Project**”); (ii) finance the costs of completion of the construction, installation and equipping of an approximately 33,350 square foot facility consisting of classrooms and faculty offices, and the construction, installation and equipping of an approximately 38,900 square foot residence hall located at 2001 Newburg Road, Louisville, Kentucky, for use by the University in furtherance of its nonprofit educational purposes (such capital improvements being hereinafter collectively referred to as the “**New Money Projects**”, and the Refunding Project and the New Money Projects being hereinafter collectively referred to as the “**Project**”); and (iii) to finance a portion of the costs of issuing the Bonds, including the premium for the Bond Insurance Policy hereinafter referred to.

In addition, payment of the principal and interest on the Bonds when due will be insured by a municipal bond insurance policy (the “**Bond Insurance Policy**”) issued by Radian Asset Assurance Inc. (the “**Bond Insurer**”).

The Bonds shall be issued in conformance with the terms and provisions set forth in the Indenture. The estimated sources and uses of funds for the Projects shall be as set forth in the Official Statement (defined below). The Bonds shall be subject to optional redemption and mandatory redemption upon the terms and conditions described in the Indenture.

The Bonds shall mature on the date, in the years and in the amounts, bear interest at the interest rate or rates and be offered at the initial public offering price or prices, all as described in Schedule I hereto.

The Transaction Documents shall be substantially in the forms heretofore submitted to the Underwriter with such changes as the Underwriter may hereafter approve.

Section 3. Limited Obligations. The Bonds will constitute limited obligations of the Issuer enforceable in accordance with their terms and will be entitled to the benefits and security of the Indenture (subject in each instance to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar law or laws affecting the enforcement of creditors’ rights generally or relating to a public body such as the Issuer, as from time to time in effect, and further subject to the availability of applicable equitable principles). Under no circumstances shall the Bonds and the interest thereon be or become an indebtedness or obligation of the Commonwealth of Kentucky (the “**State**”), within the purview of any constitutional or statutory limitation or provision, or a charge against the credit or, or a pledge of the taxing power of, the Issuer, the State or any political subdivision thereof. The Bonds shall be limited obligations of the Issuer, and no taxes are required to be levied for the payment of principal, premium, if any, and interest on the Bonds; such principal of, premium, if any, and interest on the Bonds being payable (except to the extent otherwise provided in the Indenture) solely out of amounts derived under the

Loan Agreement. The Issuer does not have the power to levy taxes for any purpose whatsoever, including, but not limited to payment of principal of, premium, if any, and interest on the Bonds.

Section 4. Date of Closing. At 10:00 a.m., local time, on \_\_\_\_\_, 2008, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Issuer, the University and the Underwriter, the Issuer will deliver, or cause to be delivered, the Bonds, in book-entry only form (registered in the name of Cede & Co.), to the Trustee, as custodian for The Depository Trust Company, New York, New York ("**DTC**"), pursuant to DTC's "FAST" eligibility system. Delivery of the closing documents described in Section 9 hereof shall occur at the offices hereinafter specified, and upon receipt thereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds set forth in Section 1 hereof in federal funds by wire transfer to the order of the Trustee (such payment and the delivery is herein called the "**Closing**"). The Bonds will be delivered as fully registered bonds (without coupons) in denominations of \$5,000 or any whole multiple thereof and, when issued initially, will be registered in the name and held by Cede & Co., as nominee of DTC. DTC will act as securities depository for the Bonds. Purchasers of the Bonds will not receive certificates representing their beneficial ownership in the Bonds.

Section 5. Bona Fide Public Offering.

(a) The Underwriter represents, warrants and covenants to the Issuer and the University that the Bonds will be offered in accordance with all applicable State and federal laws. The Underwriter further represents, warrants and covenants that it has been duly authorized to execute this Agreement, and that when executed by the Underwriter and the other parties thereto, this Agreement will be a valid and binding obligation of the Underwriter.

(b) The Underwriter agrees to make a bona fide public offering of all the Bonds at a price not in excess of the initial public offering prices set forth on the cover page of the Official Statement, hereinafter referred to, but reserves the right to change such initial price as the Underwriter shall deem necessary in connection with the offering of the Bonds. At Closing, the Underwriter shall furnish to the Issuer and the University a certificate in form and substance acceptable to Bond Counsel to the effect that: (i) the Underwriter has made a bona fide public offering of the Bonds to the public (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) and stating the initial or revised reoffering price for the Bonds at which such offering has been made; and (ii) a substantial amount of the final amount of the Bonds was sold to the public or final purchasers thereof (not including bond houses, brokers, etc., as above) at or below such initial or revised reoffering price, as the case may be. Such certificate shall be made on the best knowledge, information and belief of the Underwriter and may be relied upon by the Issuer, the University and Bond Counsel in determining and effecting compliance with the restrictions of the Internal Revenue Code of 1986, as amended (the "**Code**"), and in rendering opinions with respect thereto.

Section 6. Offering Document.

The Issuer and the University hereby consent to the use by the Purchaser (subject to the right of the Issuer and the University to withdraw such consent for cause by written notice to the Underwriter) of the Preliminary Official Statement dated \_\_\_\_\_, 2008 (which, together with the cover page, and any exhibits, appendices, maps, pictures, diagrams, reports and statements included therein or attached thereto and any amendments and supplements that may be authorized for use with respect to the Bonds, are herein called the "**Preliminary Official Statement**"), in connection with the proposed offering of the Bonds.

The Issuer and University hereby certify that: (i) the Preliminary Official Statement as of its date was deemed final by the Issuer and the University for purposes of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended (the "**Rule**"), except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, and (ii) the Official Statement as of the date hereof is deemed final by the Issuer and the University for purposes of the Rule, provided that the Issuer makes the representations in

this paragraph only with respect to information contained under the captions “THE ISSUER” and “ABSENCE OF MATERIAL LITIGATION—The Issuer” in the Official Statement. The University hereby approves the form of and authorizes the Underwriter to prepare, use and distribute the Official Statement in final form in connection with the public offering and sale of the Bonds. The University agrees to execute the Official Statement in such final form as soon as possible. The University agrees to provide to the Underwriter, within seven (7) business days of the date hereof, sufficient copies of the Official Statement to enable the Underwriter to comply with the requirements of the Rule, and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board. (The University shall also deliver, or cause the Underwriter to deliver to the Issuer, copies of the Preliminary Official Statement and Official Statement, in form and quantity, sufficient to comply with the Issuer’s current requirements.) If, between the date of this Agreement and the date which is one hundred twenty (120) days following the Closing Date, any event shall occur which might or would cause the Official Statement to contain any untrue statement of a material fact or to omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the University shall notify the Underwriter and if, in the opinion of the Underwriter or Issuer, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the University will supplement or amend the Official Statement in a form and in a manner approved by the Underwriter and the Issuer. If the Official Statement is so supplemented or amended prior to the Closing, such approval by the Underwriter and Issuer of a supplement or amendment to the Official Statement shall not preclude the Underwriter from thereafter terminating this Agreement if, in the reasonable judgment of the Underwriter such amendment or supplement has or will have a material adverse effect on the marketability of the Bonds. The expense of preparing such amendment or supplement shall be borne by the University. For the purposes of this paragraph, the University and the Issuer will furnish such information with respect to themselves to the Underwriter as the Underwriter from time to time may reasonably request; provided, however, that the Underwriter shall not request information from the Issuer beyond the scope of that provided by the Issuer for the Official Statement. The Issuer and the University hereby authorize the use of the Official Statement and the information therein contained in connection with the public offering and sale of the Bonds. The Issuer and the University consent to the use of drafts of the Preliminary Official Statement, the Preliminary Official Statement and drafts of the Official Statement prior to the availability of the Official Statement by the Underwriter in qualifying the Bonds for offering and sale under the securities or “Blue Sky” laws of such jurisdictions of the United States of America as the Underwriter may determine. The Issuer and the University shall cooperate with the Underwriter and its counsel in order to qualify the Bonds for offering and sale under the Blue Sky laws of such jurisdictions as the Underwriter may determine; provided, however, that the University shall not be required to register the Bonds in any jurisdiction in which another form of qualification is not available, or to consent to service of process in any such jurisdictions; and provided, further, that the Issuer shall not be required to execute a consent to service of process or qualify as a foreign corporation. The Issuer shall not be obligated to pay any expenses or costs (including legal fees) incurred in connection with such qualification.

Section 7. Representations of the Issuer. The Issuer represents and warrants to the Underwriter that both at the time of acceptance hereof and at the date of the Closing:

(a) The Issuer is a body politic and corporate of the State created and existing under the Industrial Buildings for Cities and Counties Act, as amended, Sections 103.200 to 103.285 of the Kentucky Revised Statutes Act (the “*Act*”).

(b) The Issuer is authorized under the laws of the State, including particularly the Act, to (i) issue the Bonds for the purposes for which they are to be issued, as set forth in the Official Statement; (ii) lend the proceeds of the Bonds to the University for the purposes set forth in the Official Statement; (iii) enter into this Agreement, the Indenture, the Loan Agreement, the Escrow Agreement and the Tax Compliance Agreement; and (iv) pledge and assign to the Trustee the Issuer’s rights under the Loan Agreement as security for the payment of the principal of and interest on the Bonds.

(c) As of the Closing, the Issuer will have full power and authority to consummate the transactions contemplated in this Agreement, the Indenture, the Loan Agreement, the Escrow Agreement, the Tax Compliance Agreement and the Official Statement, and the Issuer has duly authorized and approved the execution and delivery of the same as well as any and all such other agreements and documents as may be required to be executed, delivered or received by the Issuer in order to carry out, give effect to and consummate the transactions contemplated herein and in the Official Statement.

(d) The information relating to the Issuer under the headings “THE ISSUER” and “ABSENCE OF MATERIAL LITIGATION—The Issuer” contained in the Official Statement does not as of its date, and as of the date of the Closing will not, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; provided, however, that none of the representations and warranties of the Issuer in this Agreement shall apply to statements in or omissions from the Official Statement made in reliance upon and in conformity with information furnished to the Issuer by or on behalf of the University or the Underwriter, and further provided that the representations and warranties of the Issuer in this subsection shall apply only to statements in or omissions from the Official Statement relating to the Issuer contained under the following headings or subheadings: “THE ISSUER” and “ABSENCE OF MATERIAL LITIGATION—The Issuer.”

(e) The Issuer shall on or before the Closing and execute and deliver the Indenture, the Loan Agreement, the Escrow Agreement, the Tax Compliance Agreement and the Bonds.

(f) The Bonds, when issued, delivered and paid for as provided herein and in the Indenture, will have been duly authorized and issued and will constitute valid and binding limited obligations of the Issuer enforceable in accordance with their terms and will be entitled to the benefits and security of the Indenture (subject in each instance to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar law or laws affecting the enforcement of creditors’ rights generally or relating to a public body such as the Issuer, as from time to time in effect, and further subject to the availability of applicable equitable principles). Under no circumstances shall the Bonds and the interest thereon be or become an indebtedness or obligation of the State, within the purview of any constitutional or statutory limitation or provision, or a charge against the credit or, or a pledge of the taxing power of, the Issuer, the State or any political subdivision thereof. The Bonds shall be limited obligations of the Issuer, and no taxes are required to be levied for the payment of principal, premium, if any, and interest on the Bonds; such principal of, premium, if any, and interest on the Bonds being payable (except to the extent otherwise provided in the Indenture) solely out of amounts derived under the Loan Agreement. The Issuer does not have the power to levy taxes for any purpose whatsoever, including, but not limited to payment of principal of, premium, if any, and interest on the Bonds.

(g) To the best of the Issuer’s knowledge, except as may be set forth in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer (as to which the Issuer has received service of process) or, to the actual knowledge of the Issuer, threatened against or affecting the Issuer (or to the actual knowledge of the Issuer, any meritorious basis therefor) wherein an unfavorable decision, ruling or finding (i) would adversely affect the transactions contemplated herein or in the Official Statement, (ii) the validity or enforceability against the Issuer of the Bonds, the Indenture, the Loan Agreement, the Escrow Agreement, the Tax Compliance Agreement, this Agreement or any other agreement or instrument to which the Issuer is a party and which is used or contemplated for use in the consummation of the transactions contemplated herein or in the Official Statement, or (iii) question the exclusion of the interest on the Bonds from gross income for federal income tax purposes or the amounts to be received by the Issuer pursuant to the Loan Agreement.

(h) Neither the corporate existence of the Issuer nor the right of the members of the Issuer to their offices nor the title of the officers of the Issuer to their respective offices are being contested and no grant of Issuer or outcome of proceeding for the issuance of the Bonds has been repealed, revoked or rescinded.

(i) The execution and delivery by the Issuer of this Agreement, the Bonds, the Indenture, the Loan Agreement, the Escrow Agreement, the Tax Compliance Agreement and the other documents contemplated herein or in the Official Statement, and compliance with their provisions and the assignment of the Loan Agreement to the Trustee, do not and will not, in any material respect, conflict with or constitute on the part of the Issuer a breach of or a default under any existing law, court or administrative regulation, decree, order, agreement, indenture, mortgage or lease by which the Issuer is or may be bound; provided, no representation is made with respect to federal or State securities laws, rules or regulations.

(j) The Issuer agrees to cooperate reasonably with the Underwriter and its counsel in any endeavor to qualify the Bonds for offering and sale under the securities or “blue sky” laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the Issuer shall not be required with respect to the offer or sale of the Bonds to consent to suit or to consent to service of process in any jurisdiction or take any action which it deems unreasonably burdensome and shall not be deemed to have made any representations with regard to securities or “blue sky” laws of any state or the securities laws of the United States. The Issuer consents to the use by the Underwriter of drafts of the Preliminary Official Statement, the Preliminary Official Statement and drafts of the Official Statement prior to the availability of the Official Statement in obtaining such qualification, subject to the right of the Issuer to withdraw such consent for cause by written notice to the Underwriter. The Issuer shall not be obligated to pay any expenses or costs (including legal fees) incurred in connection with such qualification.

(k) Any certificate signed by an authorized officer of the Issuer and delivered to the Underwriter shall be deemed a representation and warranty by the Issuer to the Underwriter as to the statements made therein.

The Issuer’s obligation to issue the Bonds shall be conditioned on the understanding that all opinions and certificates required under Section 9 hereof or otherwise required by the S&P or any other rating agency providing a rating on the Bonds shall include the Issuer as an addressee or expressly allow for reliance thereon by the Issuer.

Section 8. Representations of the University. In order (i) to induce the Underwriter to enter into this Agreement and (ii) to induce the Issuer to enter into the Transaction Documents and to issue the Bonds for the purposes stated above, with full knowledge and appreciation that the investment value of the Bonds and the ability of the Issuer to sell and the Underwriter to resell the Bonds are dependent upon the credit standing of the University, and in consideration of the foregoing and the execution and delivery of this Agreement by the other parties hereto, the University represents and warrants and covenants with the Issuer and the Underwriter that:

(a) The University (i) is Kentucky nonprofit corporation, qualified to transact business under the laws of the State, and is in good standing under the laws of the State, (ii) has the full legal right, power and authority to own its properties and assets, and to carry on its business as now being conducted by it and as contemplated by the Transaction Documents to which it is a party, and (iii) has the full legal right, power and authority to execute and deliver the Transaction Documents to which it is a party and to perform all the undertakings of the University thereunder.

(b) The Transaction Documents have been duly executed and delivered by the University.

(c) The execution and delivery by the University, as applicable, of the Transaction Documents, and the performance by the University of its obligations thereunder, and the consummation by the University of the transactions contemplated hereby, will not violate any provision of any articles of incorporation, bylaws or any resolution of the University, or of any mortgage, indenture, contract, agreement, document, instrument or other undertaking to which the University is a party or which purports to be binding upon the University or upon any of its assets, or to the best knowledge of the University, any provision of law, rule or regulation applicable to the University, or any order or decree of any court or other agency or government or governmental instrumentality.

(d) Assuming due authorization, execution and delivery hereof by any other party thereto, each of the Transaction Documents is a legal, valid and binding obligation of the University enforceable against the University in accordance with its terms subject to (a) the exercise of judicial discretion in accordance with general principles of equity and (b) bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable.

(e) The Preliminary Official Statement did not, as of its date, and the Official Statement did not, as of its date, and will not as of the date of the Closing, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, provided that the University makes no representation or warranty as to the statements and information contained in the Official Statement under the captions "THE ISSUER," "ABSENCE OF MATERIAL LITIGATION" (insofar as the same relates to the Issuer), "TAX EXEMPTION," "THE BOND INSURANCE POLICY," "LEGAL MATTERS," "TAX EXEMPTION," "RATINGS," "UNDERWRITING" and "MISCELLANEOUS," except to the extent that information under such captions was based upon information supplied by, or solely within the knowledge of the University. The University hereby consents to the use of the Official Statement in connection with the solicitation of purchases of the Bonds by the Underwriter and confirms that it has consented to the use of the Preliminary Official Statement for such purpose prior to the availability of the Official Statement.

The audited financial statements of the University for each of the two years ended May 31, 2006 and 2007 present fairly the financial position of the University as of the dates indicated and the results of its operations for the periods specified, and such financial reports and statements have been prepared in accordance with generally accepted accounting principles consistently applied in all material respects for the periods involved, except as otherwise stated in the notes thereto.

From May 31, 2007 through the date hereof, there has been no material adverse change in the financial position or results of operations of the University nor has it incurred any material liabilities, except as set forth in or contemplated by the Official Statement.

(f) The University covenants and agrees to use its best efforts to cause reasonable quantities of the Official Statement to be delivered to the Underwriter within seven Business Days of the date hereof and, in the event the Closing is less than seven Business Days after the date hereof, upon request of the Underwriter in sufficient time to accompany any confirmation requesting payment from any customers of any Underwriter, provided that ten copies of the Official Statement shall be executed on behalf of the University by the authorized officer thereof.

(g) The University represents and warrants that, if after the date of this Agreement and until 90 days after the End of the Underwriting Period (within the meaning of the Rule), any event shall occur involving or affecting the University or the knowledge of the University affecting the information in the Official Statement as a result of which it is necessary to amend or supplement the Official Statement in order to make the statements therein, in light of the circumstances which the Official Statement is delivered to the Underwriter, not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, to notify the Underwriter (and for the purposes of this clause (b) to provide the Underwriter with such information as they may from time to time request), and to forthwith prepare and furnish a reasonable number of copies of either amendments or supplements to the Official Statement so that the statements in the Official Statement as so amended and supplemented will not, in light of the circumstances when the Official Statement is delivered to any customer of the Underwriter, be misleading or so that the Official Statement shall comply with law; provided, however, if such event shall occur on or prior to the Closing, the Underwriter in its sole discretion shall have the right to terminate the obligations of the Underwriter hereunder by written notice to the University and the Issuer, and the Underwriter shall be under no obligation to purchase and pay for the Bonds.



(h) The University represents and warrants that, at the time of the Issuer's acceptance hereof and (unless an event occurs in the nature described in paragraph (g) of this Section) at all times subsequent thereto during the period up to and including 90 days subsequent to the End of the Underwriting Period, the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(i) The University represents and warrants that, if the Official Statement is supplemented or amended pursuant to paragraph (g) of this Section, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including 90 days subsequent to the End of the Underwriting Period, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(j) The University shall take all necessary action on its part to cause the Bonds to comply with the provisions of the laws and regulations of the State pursuant to which the Bonds are issued and with respect to the Bonds the provisions of the Code and will not take any action, or permit any action within its control to be taken, that would violate such provisions or that would cause the Bonds to lose the exemption from federal income taxation of interest thereon.

(k) Except as may be described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any public board or body pending or, to the knowledge of the University after reasonable inquiry, threatened against or affecting the University or, to the best of its knowledge after reasonable inquiry, any meritorious basis therefor, wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition of the University, the operation by the University of its facilities or the tax-exempt status of the University, or would have an adverse effect on the validity or enforceability of the Bonds, the Transaction Documents or any other agreement or instrument by which the University is or may be bound, or would in any way contest the corporate existence or powers of the University.

(l) The University has been determined to be and is exempt from federal income taxes under Section 501(a) of the Code, by virtue of being an organization described in Section 501(c)(3) of the Code, and is not a "private foundation" as defined in Section 509(a) of the Code. The University has not impaired its status as an exempt organization and will not, while any of the Bonds remain outstanding, impair its status as an organization exempt from federal income taxes under the Code and will not, either from and including the date hereof to and including the date of the Closing and, thereafter, while any of the Bonds remain outstanding, impair its status as an exempt person as that term is used in Section 103 of the Code. There are no facts or circumstances presently existing which could cause such determination to be withdrawn or revoked.

(m) Any certificate signed by an authorized officer of University and which has been delivered to the Issuer or Underwriter shall be deemed a representation and warranty by the University to the Issuer and Underwriter as to the statements made therein.

(n) All approvals, consents, authorizations, certification and other orders of any government authority, board, agency or commission having jurisdiction, and all filings with such entities, which would constitute a condition precedent to or would adversely affect the performance by the University of its obligations under the Transaction Documents have been or will be (when needed) obtained.

(o) There is no Event of Default, as defined in the Indenture or the Loan Agreement which has occurred and is continuing.

(p) The University will undertake, pursuant to the Loan Agreement and the Continuing Disclosure Agreement, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement. \*\*At no time has the University failed to comply in any material respect with any of its informational reporting undertakings entered into with respect to the Rule.\*\*

(q) At the Closing, no liens, encumbrances, covenants, conditions and restrictions, if any, will be then-existing (not otherwise previously disclosed to the Underwriter or created on the date thereof pursuant to the Transaction Documents) which would interfere with or impair the operation, or materially adversely affect the value, of the Projects or the University's other assets, given the purposes for which the same are being used.

(r) To the best knowledge of the University, after due inquiry, (i) other than those Hazardous Substances (as hereinafter defined) used in the course of operation of the facility in accordance with federal, State and local laws and regulations, no dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances, as defined in or governed by the provisions of any federal, State or local law, statute, code, ordinance, regulation, requirement or rule relating thereto (collectively, ***“Environmental Regulations”***), including ureaformaldehyde, polychlorinated biphenyls, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products, or any other waste, material, substance, pollutant or contaminant which would subject the owner of the Projects to any damages, penalties or liabilities under any applicable Environmental Regulation (collectively, ***“Hazardous Substances”***) are now or have been stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited or disposed of in, upon, under, over or from the Projects, including real estate; (ii) the Projects have not been used as or for a mine, a landfill, a dump or other disposal facility or a gasoline service station; (iii) no person, party, or private or governmental agency or entity has given any notice of or asserted any claim, cause of action, penalty, cost or demand for payment or compensation, whether or not involving any injury or threatened injury to human health, the environment or natural resources, resulting or allegedly resulting from any activity or event described in (i) above; (iv) there are not now any actions, suits, proceedings or damage settlements relating in any way to Hazardous Substances in, upon, under, over or from the Projects; and (v) the Projects are not subject to any lien or claim for lien or threat of a lien in favor of any governmental entity or agency as a result of any release or threatened release of any Hazardous Substance.

(s) With respect to any pension plan (a ***“Plan”***) in which the University participates and with regard to compliance by the University with ERISA (i) neither any Plan nor the trusts created thereunder, nor any trustee or administrator thereof, has engaged in a “prohibited transaction,” as such term is defined in Section 4975 of the Code, which could subject the Plan, any such trust, or any trustee or administrator thereof, or any party dealing with the Plan or any such trust to the tax or penalty on prohibited transactions imposed by Section 4975 of the Code; (ii) the performance of the transactions contemplated by the Official Statement will not involve any prohibited transaction (other than an exempt prohibited transaction); (iii) neither any Plan nor any such trusts have been terminated, nor have there been any “reportable events,” as such term is defined in Section 4043 of ERISA, since the effective date of ERISA except for the reportable events heretofore disclosed to the Underwriters in writing which had no material adverse effect on the financial conditions or results of operation of the University; and (iv) neither any Plan nor any such trusts have incurred any “accumulated funding deficiency,” as such term is defined in Section 302 of ERISA (whether or not waived), since the effective date of ERISA. In addition, the University and any subsidiary, member of a controlled corporation or affiliated service group in which any the University is a member or has an interest, (i) has fulfilled in all material respects its obligations under the minimum funding standards of ERISA and the Code with respect to each of its pension plans; (ii) is in compliance in all material respects with the presently applicable provisions of ERISA, the Code and any Plan; and (iii) has not incurred any material and past due liability to the Pension Benefit Guaranty

Corporation. Neither the University nor any subsidiary, member of a controlled group or affiliated service group in which it is a member or has an interest, is required to make or accrue, nor has ever made or accrued, an obligation to make a material contribution to a “multiemployer plan” as defined in Section 3(37)(A) of ERISA or Section 414 of the Code.

(t) Subsequent to May 31, 2007, there have been no material adverse changes in the assets, liabilities or condition of the University, financial or otherwise, and neither the operations nor the properties of the University have been adversely affected in any substantial way as the result of any fire, explosion, accident, strike, riot, flood, windstorm, earthquake, embargo, war or act of God.

Section 9. Conditions of Closing. The obligations of the Underwriter hereunder are subject to the following conditions:

(a) At the time of the Closing: (i) the Issuer shall have approved the Projects to be financed with proceeds of the Bonds and the Bonds and such approval shall be in full force and effect; (ii) the Resolution shall be in full force and effect and shall not have been amended, modified or supplemented prior to the Closing except as may have been agreed to in writing by the Underwriter, and the Issuer and the University shall have duly adopted and there shall be in full force and effect such additional resolutions or agreements as shall, in the opinion of Bond Counsel (as defined below), be necessary in connection with the transactions contemplated hereby; (iii) the representations and warranties of the Issuer and the University herein and in the Transaction Documents shall be true, complete and correct in all material respects; (iv) the Issuer and the University shall perform or have performed all obligations required under or specified in this Agreement to be performed at or prior to the Closing; (v) the proceeds of the sale of the Bonds shall be applied as described in the Official Statement; and (vi) the Series 2008B Bonds shall be simultaneously purchased by the Underwriter.

(b) The Underwriter may terminate this Agreement by notification to the University and the Issuer if at any time, at or prior to the Closing:

(i) legislation shall be enacted by the United States Congress or adopted by either House thereof or a decision by a court of the United States or the United States Tax Court shall be rendered or a ruling, regulation, temporary regulation or official release, statement or pronouncement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made, with respect to federal taxation upon revenues from the University or other income of the general character expected to be derived by the Issuer or upon interest received on notes and bonds of the general character of the Bonds that would have the effect of changing directly or indirectly the federal income tax consequences of interest on notes and bonds of the general character of the Bonds in the hands of the holders thereof, or that materially affects the market price of the Bonds adversely; or

(ii) legislation shall be enacted or any action shall be taken by the Securities and Exchange Commission that, in the reasonable opinion of counsel for the Underwriter, has the effect of requiring the contemplated distribution of the Bonds to be registered under the Securities Act of 1933, as amended, or the Indenture to be qualified under the Trust Indenture Act of 1939, as amended; or

(iii) there shall exist any event that in the reasonable judgment of the Underwriter either

(A) makes untrue or incorrect in any material respect any statement or information contained in the Official Statement or

(B) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein contained not misleading in any material respect; or

(iv) there shall be a formal declaration of war or engagement in military conflict or hostilities whether conventional, nuclear and/or biological, by the United States or by other sovereign state or states against the United States or the occurrence of any military conflict or hostilities whether conventional, nuclear and/or biological, involving the United States without the benefit of a formal declaration of war by the United States or any conflict involving the armed forces of the United States shall have escalated beyond the level of such conflict as of the date hereof or the occurrence of any acts of terrorists or attacks by terrorists within or outside of the borders of the United States which would cause the effective operation of the government of the United States to cease or which would cause the Underwriter to be unable to carry on its regular business or the effect of which on the financial markets of the United States would, in the opinion of the Underwriter, materially adversely affect the Underwriter's ability to market the Bonds; or the occurrence of any other national emergency or calamity, including natural disasters, which would cause the effective operation of the government of the United States to cease or which would cause the Underwriter to be unable to carry on its regular business or the effect of which on the financial markets or the United States would, in the opinion of the Underwriter, materially adversely affect the Underwriter's ability to remarket the Bonds; or

(v) there shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices of securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction; or

(vi) a general banking moratorium shall have been declared by federal, New York or Kentucky authorities having jurisdiction and be in force; or

(vii) a stop order, ruling, regulation or official release, statement or pronouncement by or on behalf of the Securities and Exchange Commission shall be issued or made to the effect that the issuance, offering or sale of the Bonds, or of obligations of the general character of the Bonds as contemplated hereby, is in violation of any provision of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, or the Trust Indenture Act of 1939, as amended; or

(viii) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities by any governmental authority or by any national securities exchange; or

(ix) any governmental authority shall impose, as to the Bonds, or obligations of the character of the Bonds, any material restrictions not now in force, or increase materially those now in force.

(c) At or prior to the Closing, the Underwriter shall receive the following documents:

(i) An original or certified copy of each of the Transaction Documents executed by duly authorized officers of the Issuer, the Trustee and the University and the Bond Insurance Policy duly issued by the Bond Insurer;

(ii) The unqualified approving opinion of Frost Brown Todd LLC, Louisville, Kentucky, Bond Counsel, as to the Bonds, dated the date of the Closing, in form satisfactory to the Underwriter. In addition, at closing, Bond Counsel shall deliver a letter to the Underwriter to the effect that its final approving opinion on the Bonds may be relied upon by the Underwriter to the same extent as if such opinion had been addressed to the Underwriter;

(iii) A supplemental opinion or opinions of Bond Counsel, dated the date of the Closing and addressed to the Underwriter, in form satisfactory to the Underwriter to the effect that:

(A) the defined terms and summaries of the provisions of the legal documents included in Appendix E thereto and the descriptions in the sections of the Official Statement entitled, “THE SERIES 2008A BONDS” (excluding the information contained under “Bond Insurance Policy” and “Book-Entry System”) and “TAX EXEMPTION” fairly summarize the principal provisions of such documents, such firm’s approving legal opinion with respect to the Bonds and such matters described in said sections; and

(B) no registration of the Bonds under the Securities Act of 1933, as amended, or qualification of the Indenture under the Trust Indenture Act of 1939, as amended, is required in connection with the offer and sale of the Bonds.

(iv) A certificate or certificates, dated the date of the Closing, executed by the Executive Director or Interim Executive Director of the Issuer and in form satisfactory to Bond Counsel and to the Underwriter, in which such official states that:

(A) the representations of the Issuer herein contained are true and correct as of the Closing, and that the Official Statement insofar as it relates to the Issuer does not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein contained, in light of the circumstances in which they were made, not misleading;

(B) no litigation is pending or, to the knowledge of the Issuer, threatened that would (i) restrain or enjoin the issuance or delivery of any of the Bonds, the application of the proceeds thereof, or the payment, collection or application of revenues pursuant to the Indenture or the Loan Agreement or (ii) in any way contest or affect any authority for, or the validity or enforceability of, the Bonds, the Transaction Documents, the application of the proceeds of the Bonds or the payment, collection or application of revenues or the pledge thereof pursuant to the Indenture; and

(C) no event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein contained not misleading in any material respect;

(v) A certificate dated the date of the Closing executed by the Executive Director or Interim Executive director of the Issuer sufficient in form and substance to show to the satisfaction of Bond Counsel that the Bonds will not be arbitrage bonds under Section 148 of the Code and the regulations thereunder;

(vi) An opinion by Reed Weitkamp Schell & Vice PLLC, Louisville, Kentucky, counsel to the University, dated the date of the Closing and addressed to the Underwriter and Bond Counsel, in form and containing such qualifications and exceptions reasonably satisfactory to the Underwriter to the effect that:

(A) the University is a nonprofit corporation duly incorporated, validly existing and in good standing under the laws of the State and has the requisite power and authority and the requisite material necessary licenses and permits to own its properties and conduct its operations as described in the Official Statement;

(B) the University has been determined by the Internal Revenue Service to be (i) an organization described in Section 501(c)(3) of the Code and (ii) exempt from federal income

taxes under the Code, except for unrelated business income subject to taxation under Section 511 of the Code, by virtue of being an organization described in Section 501(c)(3) of the Code, and is not a “private foundation” as defined in Section 509(a) of the Code and (a) the University’s determination letter from the Internal Revenue Service (the “**Determination Letter**”) has not been modified, limited or revoked, and (b) the University is in compliance with the terms, conditions and limitations in such Determination Letter;

(C) the University has the requisite power and authority to execute the acceptance to this Agreement; and such acceptance has been duly authorized, executed and delivered by the University and, assuming that this Agreement has been duly authorized, executed and delivered by the other parties hereto, by the University’s execution of the acceptance, this Agreement constitutes a legal, valid and binding obligation of the University enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors’ rights generally;

(D) the Transaction Documents have been duly and validly authorized, executed and delivered by the University and are legal, valid and binding obligations of the University, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors’ rights generally;

(E) except as may be set forth in the Official Statement, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or threatened against or affecting the University or to which the University is or may be a party or to which property of the University is or may be subject, wherein an unfavorable decision, ruling or finding would materially adversely affect the University, or which would materially adversely affect the transactions contemplated by this Agreement, the Official Statement or the Transaction Documents, or the validity or enforceability of the Transaction Documents, or which, if decided unfavorably to the University, would materially adversely affect the financial condition of the University;

(F) the execution and delivery of the Transaction Documents and all other agreements and documents contemplated thereby and by the Official Statement and the Transaction Documents and the compliance with the provisions of such documents, the fulfillment of the terms thereof and the consummation of the transactions contemplated thereby (under the circumstances contemplated thereby), do not and will not in any material respect conflict with or constitute on the part of the University a breach or violation of or default under the Articles of Incorporation or By-Laws of the University, or any resolution adopted by the University having current effect, any material agreement, indenture, mortgage, deed of trust, lease or any instrument to which the University is a party, or by which it is or may be bound, or any existing material law, regulation, administrative or court order or decree to which the University is or may be subject;

(G) except as may be otherwise disclosed and acceptable to the Underwriter, there are no licenses, approvals and permits presently required under federal or State law to operate the University’s facilities which have not been obtained;

(H) the information and statements contained in Official Statement (other than any financial or statistical information) under the headings “BELLARMINE UNIVERSITY,” “THE PROJECTS,” “ESTIMATED SOURCES AND USES,” “ABSENCE OF MATERIAL LITIGATION – The University” and information with respect to the above on the cover page

and under the headings "INTRODUCTORY STATEMENT" and in Appendix A thereto fairly and accurately present the information relating to the University purported to be summarized therein and in the course of such counsel's participation in the preparation of the Official Statement and such counsel's representation of the University, and without having undertaken to determine independently the accuracy and completeness of the statements contained in the Official Statement, nothing has come to such counsel's attention that would lead it to believe that the Official Statement (except for financial and statistical data included therein, as to which no view need be expressed) contains any untrue statement of a material fact, or omits to state a material fact, required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(I) such other matters as the Underwriter or its counsel or Bond Counsel may reasonably request prior to the Closing;

(vii) An opinion by \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, counsel for the Issuer, dated the date of the Closing and addressed to the Underwriter and Bond Counsel, in form satisfactory to the Underwriter to the effect that:

(A) the Issuer has been duly organized and is validly existing as a body politic and corporate organized and existing under the Constitution and laws of the State, with power and authority pursuant to the Act to enter into the Transaction Documents and to issue and sell the Bonds;

(B) the Issuer has obtained all necessary approvals with respect to issuance of the Bonds and such approvals are in full force and effect;

(C) the Transaction Documents are in due and proper form and have been duly and validly authorized, executed and delivered by the Issuer and are valid and binding obligations of the Issuer;

(D) the Bonds have been duly and validly authorized, executed, issued and delivered by the Issuer and the Bonds constitute the legal, valid and binding limited obligations of the Issuer;

(E) the Official Statement has been duly authorized and approved by the Issuer;

(F) all actions taken by the Issuer in connection with the sale of the Bonds has been in compliance in all respects with the provisions of the open meetings laws of the State;

(G) the execution and delivery of, consummation of the transactions contemplated by, and the fulfillment and compliance with the terms of, the Bonds and the Transaction Documents, under the circumstances contemplated thereby and hereby, do not and will not, with the passage of time, conflict with or constitute on the part of the Issuer a breach of or default under: (i) the Act, the Issuer's By-Laws, any existing law, regulation, administrative or court order or decree to which the Issuer is subject; or (ii) any indenture, mortgage, lease, deed of trust or other instrument to which the Issuer is a party or by which it may be bound;

(H) there is no litigation pending or, to such counsel's knowledge after reasonably inquiry, threatened: (i) to restrain or enjoin the issuance or delivery of the Bonds or the collection of revenues pledged under the Indenture; or (ii) in any way contesting the existence of the Issuer

or the power or authority of the Issuer to issue the Bonds or the validity or enforceability of the Bonds, or the Transaction Documents;

(I) to the best of such counsel's knowledge, no event affecting the Issuer has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which it is to be used or that is necessary to be disclosed therein in order to make the statements therein with respect to the Issuer not misleading in any material respect;

(J) the information with respect to the Issuer contained in the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact which is required to be stated therein or which is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect; and

(K) such other matters as the Underwriter or its counsel or Bond Counsel may reasonably request prior to the Closing;

(viii) A certificate, dated the day of the Closing, executed by the President or a Vice President of the University in which such officer states that the representations and warranties of the University in this Agreement and each of the Transaction Documents are true and correct as of the Closing, that the Official Statement insofar as it relates to the University does not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein contained not misleading; that, subsequent to the date of the latest reviewed financial statements of the University, there has been no material adverse change in the financial position or results of operations of the University except as set forth in or contemplated by the Official Statement; that no litigation is pending or, to the knowledge of the signer after reasonable inquiry, threatened that would (A) restrain or enjoin the issuance or delivery of the Bonds; (B) in any way contest or affect any authority for the issuance of the Bonds or the validity or enforceability of the Bonds or the Transaction Documents; or (C) in any way contest the existence or powers of the University; and that no event affecting the University has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which they are to be used or that is necessary to disclose therein in order to make the statements and information therein contained not misleading in any material respect;

(ix) A certificate of an officer of the Trustee, acceptable to the Underwriter, dated the date of Closing, to the effect that (i) the Indenture has been duly authorized, executed and delivered by the Trustee and, assuming due authorization, execution and delivery thereof by the Issuer and the University, constitutes a valid and binding agreement of the Trustee enforceable against the Trustee in accordance with its terms, and (ii) the Bonds have been authenticated in accordance with the Indenture by duly authorized officers or signatories of the Trustee; and (b) an incumbency certificate of the Trustee, in form and content acceptable to the Underwriter and Bond Counsel, dated the date of Closing, with respect to the officers or other signatories of the Trustee who have executed, authenticated and delivered the Bonds, and all other financing documents to be signed by Trustee;

(x) A certificate of the Bond Insurer and an opinion of in-house counsel to the Bond Insurer, each dated the date of Closing, addressed to the Underwriter and in form and substance satisfactory to the Underwriter, to the effect that;

(A) the Bond Insurance Policy has been duly and validly authorized, executed and delivered by the Bond Insurer and is the legal, valid and binding obligation of the Bond Insurer, enforceable in accordance with its terms, except as such enforceability may be limited by



bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally; and

(B) the statements, description and summary in the Official Statement under the caption "THE BOND INSURANCE POLICY" insofar as they purport to summarize certain provisions of the Bond Insurance Policy and describe the Bond Insurer, are accurate and fairly present the information purported to be shown with respect thereto;

(xi) Evidence satisfactory to the Underwriter and Bond Counsel that all conditions precedent to the issuance of the Bonds and incurrence by the University of the indebtedness represented thereby have been satisfied, including all approvals required under Section 147(f) of the Code, the execution and delivery of the Transaction Documents and certificates and opinions required under the provisions of the Transaction Documents;

(xii) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, counsel for the Underwriter, the Issuer or Bond Counsel may reasonably request.

(xiii) Letters from Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., rating the Bonds "AA" and providing an underlying rating for the Bonds of "\_\_\_," which ratings remain in effect on the date of Closing;

(xiv) The Issuer shall have executed, in form satisfactory for filing, an Information Return for Private Activity Bond Issues (IRS Form 8038);

(xv) Evidence satisfactory to Bond Counsel that the University is an organization described in Section 501(c)(3) of the Code;

(xvi) Insurance certificates of the University evidencing compliance with the insurance requirements of the Transaction Documents and a certificate of the University's insurance consultant to the effect that such person has read the pertinent provisions of the Loan Agreement regarding insurance and that the University is in compliance with said provisions;

(xvii) Copies of the Articles of Incorporation of the University, certified by the Secretary of State of the State; a Good Standing Certificate for the University issued by the Secretary of State of the State; copies of the By-Laws of the University and the Issuer, certified by the Secretary of the University and the Secretary of the Issuer, respectively; copies of the Resolution and the resolution or resolutions of the Board of Trustees of the University and the Board of Directors of the Issuer, respectively, authorizing, as applicable, the execution and delivery of the Transaction Documents and all transactions contemplated by the Transaction Documents (including the Project), all certified by the Secretary of the Issuer and the Secretary of the University, respectively;

(xviii) A specimen of the Bonds;

(xix) A copy of the Blanket Letter of Representations to The Depository Trust Company, New York, New York ("**DTC**"), with respect to the applicability of the book-entry only system to the Bonds;

(xx) UCC financing statements relating to the Indenture; and

(xxi) An opinion of Thompson Coburn LLP, St. Louis, Missouri, counsel for the Underwriter, dated the date of the Closing and addressed to the Underwriter, in form and substance reasonably satisfactory to the Underwriter.

(d) If the Issuer and the University shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Agreement, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and the Underwriter, the University, and the Issuer shall have no further obligations hereunder. The Underwriter may, in its sole discretion, waive one or more of the conditions imposed by this Agreement for the protection of the Underwriter and proceed with the Closing.

#### Section 10. Indemnification.

(a) The University agrees to indemnify and hold harmless the Issuer, each director, official, trustee, member, officer or employee of the Issuer and each person, if any, who has the power, directly or indirectly, to direct or cause the direction of the management and policies of the Issuer pursuant to the Act or the Issuer's regulations or by-laws (collectively, the ***"Issuer Indemnified Parties"***), against any and all losses, claims, damages, liabilities or expenses, including attorneys' fees and expenses, whatsoever caused by any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact contained in the Official Statement or caused by any omission or alleged omission from the Official Statement of any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, but only insofar as such losses, claims, damages, liabilities or expenses are caused by any such untrue or misleading statement or omission or alleged untrue or misleading statement or omission in the information contained in the Official Statement furnished by or on behalf of or relating to the University or with respect to the matters set forth in Section 8(g) hereof.

(b) The University agrees to indemnify and hold harmless the Underwriter, each director, trustee, member, officer or employee of the Underwriter and each person, if any, who has the power, directly or indirectly, to direct or cause the direction of the management and policies of the Underwriter through the ownership of voting securities, by contract or otherwise (collectively, the ***"Underwriter Indemnified Parties"***) against any and all losses, claims, damages, liabilities or expenses whatsoever caused by any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact contained in the Official Statement or caused by any omission or alleged omission from the Official Statement of any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, but only insofar as such losses, claims, damages, liabilities or expenses are caused by any such untrue or misleading statement or omission or alleged untrue or misleading statement or omission in the information contained in the Official Statement furnished by or on behalf of or relating to the University.

(c) In case a claim shall be made or any action shall be brought against one or more of the Issuer Indemnified Parties or the Underwriter Indemnified Parties (the Issuer Indemnified Parties and the Underwriter Indemnified Parties being collectively referred to as the ***"Section 10(c) Indemnified Parties"***) based upon the Official Statement and/or in respect of which indemnity can be sought against the University pursuant to either of the preceding paragraphs (a) and (b), the Section 10(c) Indemnified Parties seeking indemnity shall promptly notify the University, in writing, and the University shall promptly assume the defense thereof, including the employment of counsel chosen by the University and approved by the Underwriter or the Issuer, or both (provided, that such approval by the Underwriter or the Issuer shall not be unreasonably withheld), the payment of all expenses and the right to negotiate and consent to settlement. If any of the Section 10(c) Indemnified Parties is advised in a written opinion of counsel that there may be legal defenses available to such Section 10(c) Indemnified Party which are adverse to or in conflict with those available to the University or that the defense of such Section 10(c) Indemnified Party should be handled by separate counsel, the University shall not have the right to assume the defense of such Section 10(c) Indemnified Party, but the University shall be responsible for the reasonable fees and expenses of counsel retained by such Section 10(c) Indemnified Party in assuming its own

defense, and provided also that, if the University shall have failed to assume the defense of such action or to retain counsel reasonably satisfactory to the Underwriter or the Issuer within a reasonable time after notice of the commencement of such action, the reasonable fees and expenses of counsel retained by the Section 10(c) Indemnified Parties shall be paid by the University. Notwithstanding, and in addition to, any of the foregoing, any one or more of the Section 10(c) Indemnified Parties shall have the right to employ separate counsel with respect to any such claim or in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be paid by such Section 10(c) Indemnified Party or Parties unless the employment of such counsel has been specifically authorized by the University. The University shall not be liable for any settlement of any such action effected without their consent, but if settled with the consent of the University or if there be a final judgment for the plaintiff in any such action with or without consent, the University agrees to indemnify and hold harmless the Section 10(c) Indemnified Parties from and against any loss, liability or expense by reason of such settlement or judgment.

(d) The Underwriter agrees, at its expense, to indemnify, defend and hold harmless the Issuer Indemnified Parties and the University, each director, official, trustee, member, officer or employee of the University and each person, if any, who has the power, directly or indirectly, to direct or cause the direction of the University (collectively, the “**Section 10(d) Indemnified Parties**”) from and against any and all losses, claims, damages, demands, liabilities, costs or expenses (for purposes of this paragraph (d), collectively, “**Claims**”), including reasonable attorneys’ fees and expenses, if such Claims are a result of, arise out of or are materially increased, strengthened or enhanced by or would not exist but for a breach by the Underwriter of its duties under, or failure to abide by any of its covenants in this Agreement, as set forth in Section 5(a) hereof.

(e) In case any claim shall be made or any action shall be brought against one or more of the Section 10(d) Indemnified Parties in respect of which indemnity can be sought against the Underwriter pursuant to the preceding paragraph (d), the Section 10(d) Indemnified Parties seeking indemnity shall promptly notify the Underwriter in writing, and the Underwriter shall promptly assume the defense thereof, including the employment of counsel chosen by the Underwriter and approved by the Issuer or the University, or both (provided, that such approval by the Issuer or the University shall not be unreasonably withheld), the payment of all expenses and the right to negotiate and consent to settlement. If any of the Section 10(d) Indemnified Party is advised in a written opinion of counsel that there may be legal defenses available to such Section 10(d) Indemnified Parties which are adverse to or in conflict with those available to the Underwriter, or that the defense of such Section 10(d) Indemnified Party should be handled by separate counsel, the Underwriter shall not have the right to assume the defense of such Section 10(d) Indemnified Party, but shall be responsible for the fees and expenses of counsel retained by such Section 10(d) Indemnified Party in assuming its own defense, and provided also that, if the Underwriter shall have failed to assume the defense of such action or to retain counsel reasonably satisfactory to the University or the Issuer within a reasonable time after notice of the commencement of such action, the reasonable fees and expenses of counsel retained by the Section 10(d) Indemnified Parties shall be paid by the Underwriter. Notwithstanding the foregoing, any one or more of the Section 10(d) Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Section 10(d) Indemnified Party or Parties unless the employment of such counsel has been specifically authorized, in writing, by the Underwriter or unless the provisions of the immediately preceding sentence are applicable. The Underwriter shall not be liable for any settlement of any such action effected without its written consent, but if settled with the written consent of the Underwriter or if there be a final judgment for the plaintiff in any such action with or without consent based on the preceding paragraph because of information supplied by the Underwriter, the Underwriter agrees to indemnify and hold harmless the Section 10(d) Indemnified Parties from and against any loss, liability or expense by reason of such settlement or judgment.

(f) In order to provide for just and equitable contribution in circumstances in which the indemnity agreement provided for in this Section 10 is for any reason held to be unavailable to the Underwriter, the Issuer or the University other than in accordance with its terms, the Underwriter and the University, jointly and

severally, shall contribute to the aggregate losses, liabilities, claims, damages and expenses of the nature contemplated by said indemnity agreement incurred by the Underwriter, the Issuer and the University in such proportions that the Underwriter is responsible for that portion represented by the percentage that the underwriting discount bears to the initial public offering price appearing on the cover page of the Official Statement and the University is responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section, each person, if any, who controls the Underwriter shall have the same rights to contribution as such Underwriter, and each person, if any, who controls the University shall have the same rights to contribution as the University.

(g) The covenants and agreements of the University and the Underwriter herein contained shall survive the delivery of the Bonds.

Section 11. Costs and Expenses. The University will pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including, but not limited to, the costs of printing the Official Statement, the Trustee's fees and expenses, the fees and disbursements of the Issuer's counsel, the University's counsel, the Underwriter's counsel and Bond Counsel. In the event this Agreement shall terminate other than because of a default by the Underwriter, the University will indemnify and hold the Issuer and the Underwriter harmless against any third party claims for fees, costs or expenses, and will be responsible for the settlement and discharge thereof. The Underwriter shall pay the cost of qualifying the Bonds for sale in various states chosen by the Underwriter, and all advertising expenses incurred by it in connection with its public offering and distribution of the Bonds.

Section 12. Notices. Any notice or other communication to be given to the Issuer or the University under this Agreement may be given by delivering or mailing (certified mail, return receipt requested, postage prepaid) the same in writing to the addresses set forth above, any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering or mailing (certified mail, return receipt requested, postage prepaid) the same in writing to: NatCity Investments, Inc., 20 Stanwix Street, Pittsburgh, Pennsylvania 15222, Attention: Jason Appelt.

Section 13. Beneficiaries. This Agreement is made solely for the benefit of the signatories hereto (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. Nothing herein shall be deemed to constitute this Agreement a contract of suretyship by the Issuer. All representations, warranties and agreements in this Agreement shall remain operative and survive in full force and effect, regardless of (a) delivery of and payment for the Bonds hereunder, and (b) any termination of this Agreement.

Section 14. Effect of Illegality. If any provision of this Agreement shall be held or deemed to be inoperative, invalid or unenforceable as in any particular case in any jurisdiction or jurisdictions because it conflicts with any provisions of any constitution, statute, rule or public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

Section 15. Selection of Participants; No Financial Obligations of the Issuer. The University, the Issuer and the Underwriter represent, warrant and confirm as follows:

(a) the University selected the Underwriter to serve as the Underwriter in connection with the offering and sale of the Bonds and the Trustee to act as trustee under the Indenture;

(b) the Issuer did not participate in the process of selecting the Underwriter or the Trustee; and did not decide who would be selected as a result of such selection process; and

(c) the Issuer has no financial obligation to the other parties to this Agreement.

Section 16. Default. If the Underwriter defaults on its obligations under Section 1 (other than for a reason permitted hereby), the Underwriter shall be obligated to reimburse the Issuer and the University for any expenses paid by the Issuer and the University pursuant to Section 11 hereof, up to an aggregate amount not in excess of 1% of the purchase price of the Bonds set forth herein, and the payment by the Underwriter of such amount shall constitute a full release and discharge of all claims and rights against it.

Section 17. Governing Law. This Agreement shall be governed by the laws of the State.

Section 18. Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

(The next page is the signature page.)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

Very truly yours.

NATCITY INVESTMENTS, INC.

By: \_\_\_\_\_  
Name: Jason Appelt  
Title: Senior Vice President

Accepted this \_\_\_\_ day of May, 2008.

BELLARMINE UNIVERSITY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Accepted this \_\_\_\_ day of May, 2008.

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:

Irv Maze

Jefferson County Attorney

By: \_\_\_\_\_  
James Carey, Assistant County Attorney

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